Court File No. CV-14-10667-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF AN APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. c. C.43 (as amended)

AND IN THE MATTER OF HANFENG EVERGREEN INC.

Applicant

MOTION RECORD
(Returnable July 24, 2015)

July 17, 2015

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Lawyers for the Receiver
Ernst & Young Inc.

6434416 v1

Court File No. CV-14-10667-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
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6434416 v1

Tab 1

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AND IN THE MATTER OF HANFENG EVERGREEN INC.

Applicant

NOTICE OF MOTION
(Returnable July 24, 2015)

Ernst & Young Inc., in its capacity as the Court-appointed Receiver (the "**Receiver**") of Hanfeng Evergreen Inc. ("**Hanfeng**") will make a motion to a judge presiding over the Commercial List on Friday, July 24, 2015 at 10:00 a.m. or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING:

The motion is to be heard orally.

THE MOTION IS FOR:

1. An Order substantially in the form attached to the Motion Record at Tab 3;
2. Such further relief as counsel may request and this Honourable Court may grant.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

1) the Second Report of the Receiver; and
2) such further and other materials as counsel may advise and this Court may permit.

July 17, 2015

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Lawyers for the Receiver
Ernst & Young Inc.

TO: The Service List Attached

Court File No. CV-14-10667-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST

IN THE MATTER OF AN APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT,* R.S.O. c. C.43 (as amended)

AND IN THE MATTER OF HANFENG EVERGREEN INC.

Applicants

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HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO AS REPRESENTED BY THE MINISTER OF FINANCE (INCOME TAX, PST) 33 King Street West, 6th Floor, PO Box 620 Oshawa, ON L1H 8E9	**Kevin J. O'Hara** E-mail: kevin.ohara@ontario.ca
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2089259 ONTARIO LTD c/o Agrium Inc. 13131 Lake Fraser Drive S.E. Calgary AB T2J 7E8	**Attn: General Counsel**
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IN THE MATTER OF AN APPLICATION UNDER SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. c. C.43 (as amended)

Court File: CV-14-10667-00CL

AND IN THE MATTER OF HANFENG EVERGREEN INC.

ONTARIO
SUPERIOR COURT OF JUSTICE
Proceeding commenced at Toronto

NOTICE OF MOTION
(RETURNABLE JULY 24, 2015)

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Lawyers for the Receiver
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Tab 2

Court File No. CV-14-10667-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF AN APPLICATION UNDER SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. c. C.43 (as amended)

AND IN THE MATTER OF HANFENG EVERGREEN INC.

SECOND REPORT OF THE RECEIVER DATED JULY 17, 2015

INTRODUCTION

1. On August 20, 2014, following an application by Hanfeng Evergreen Inc. ("**Hanfeng**" or the "**Company**"), the Ontario Superior Court of Justice (the "**Court**") issued an order (the "**Approval Order**") approving a share transfer agreement (the "**Share Transfer Agreement**") dated August 8, 2014 and the transaction contemplated therein (the "**Share Transfer Transaction**").

2. The Approval Order provides for vesting in HLJ Pengcheng (as defined below) all the shares of Hanfeng Slow-Release Fertilizer Co., Ltd., the Company's fully owned subsidiary in China (the "**Chinese Subsidiary**") upon the completion of the Share Transfer Transaction. A copy of the Approval Order is attached hereto as **Appendix "A"**.

3. Pursuant to an order issued by this Court on August 20, 2014 (the "**Appointment Order**"), Ernst & Young Inc. was appointed as receiver and manager (the "**Receiver**") of the assets, undertakings and properties (the "**Properties**") of the Company, pursuant to section 101 of the Courts of Justice Act (Ontario). A copy of the Appointment Order is attached hereto as **Appendix "B"**.

4. The Appointment Order authorized the Receiver, among other things, to:

   a. take any necessary steps required to complete the Share Transfer Transaction;
   b. take possession of and exercise control of the Properties and any and all proceeds, receipts, and disbursements arising out of, or from, the Properties;
   c. engage counsel and advisors from time to time to assist with the excise of the Receiver's powers and duties; and
   d. seek Court approval of and conduct a procedure for the solicitation, determination and resolution of claims against the Company.

5. On September 23, 2014, this Court issued an Order (the "**Claims Procedure Order**") approving a claims process (the "**Claims Process**"). A copy of the Claims Procedure Order is attached hereto as **Appendix "C"**.

PURPOSE

6. The purpose of this second report of the Receiver (the "**Second Report**") is to report to this Court with respect to the following:

   (a) the status of the Share Transfer Transaction;
   (b) new information in respect of the purchaser in the Share Transfer Transaction;
   (c) a summary of the Receiver's other activities;
   (d) a summary of receipts and disbursements; and
   (e) the Receiver's motion for Orders:
      i. clarifying and expanding the Receiver's power and authority to exercise the shareholder rights that the Company has, including but not limited to, change the legal representative and directors of the Chinese Subsidiary;
      ii. authorizing and empowering the Receiver to renegotiate and, if necessary, terminate the Share Transfer Agreement as the Receiver in its discretion deems appropriate in the circumstances;

iii. authorizing the Receiver to take any necessary actions and steps to safeguard the assets, complete its ongoing investigation and to consider alternatives to realize on the assets of the Chinese Subsidiary (the "**Heilongjiang Assets**"), in whole or in part, for the benefit of the Company's creditors and shareholders, if the Receiver in its discretion sees no reasonable prospect in closing the Share Transfer Transaction;

iv. authorizing the Receiver to take any necessary actions and steps to effect control over the Chinese Subsidiary;

v. authorizing the Receiver to engage Mr. Hong Rong-Kai and his company, Formosa Supply Services Co., Ltd (FSS), to provide interim management services in connection with the Chinese Subsidiary, including appointment of Mr. Hong as the legal representative (the "**New Legal Representative**") and a director of the Chinese Subsidiary and Mr. Hong's associate as a director of the Chinese subsidiary;

vi. requiring Mr. Yu Xinduo, the current legal representative of the Chinese Subsidiary, to provide full and timely cooperation to the Receiver in carrying out the actions described above including but not limited to the following:

    (a) obtaining the Receiver's written approval prior to executing any document or entering into any agreement in his capacity as the legal representative of the Chinese Subsidiary;

    (b) attending at Harbin Administration of Industry and Commerce ("**HAIC**") in order to facilitate the change of legal representative of the Chinese Subsidiary;

    (c) surrendering all chop sets, including the company chop and finance chops (which are described in greater detail below) relating to the Chinese Subsidiary and any of its subsidiaries as described below to the New Legal Representative;

(d) surrendering all online banking tokens of the Chinese Subsidiary to the New Legal Representative;

(e) surrendering to the New Legal Representative all corporate licenses, certificates and registrations of the Chinese Subsidiary and any of its subsidiaries, including the original business license, replicate business license, organizational code certificate, tax certificate and safe registration; and

(f) providing unfettered access for the New Legal Representative to the Chinese Subsidiary's offices and facilities; and

vii. approving the First Report (as defined below) and the Second Report and the conduct and activities of the Receiver as described in each of the reports.

7. This Second Report is organized as follows:

(a) Terms of Reference;
(b) General Background;
(c) Share Transfer Transaction Update;
(d) New Information Concerning the purchaser;
(e) Current Status of the Chinese Subsidiary;
(f) Control Over the Chinese Subsidiary;
(g) Summary of the Receiver's Other Activities;
(h) Summary of Receipts and Disbursements; and
(i) Recommendations.

TERMS OF REFERENCE

8. In preparing this Second Report and making the comments herein, the Receiver has been provided with, and has relied upon, certain unaudited, draft and/or internal financial information, prepared by the books and records of the Company and the Chinese Subsidiary, discussions with employees of the Company and the Chinese

Subsidiary and information from other third-party sources (collectively, the "**Information**"). Except as described in this Second Report:

(a) The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with the *Generally Accepted Assurance Standards* pursuant to the *Canadian Institute of Chartered Accountants Handbook* and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information; and

(b) The Receiver has prepared this Second Report in its capacity as a court-appointed officer solely for the use of this Court and the stakeholders in these proceedings.

9. The Receiver has previously filed with this Court its first report dated September 12, 2014 and supplement to the first report dated September 22, 2014 (together referred to as the "**First Report**"), a copy of which is attached hereto as **Appendix "D"**. The Receiver will make a copy of the Second Report available on the Receiver's website at www.ey.com/ca/hanfeng. A copy of the First Report has also been posted on the Receiver's website.

10. All monetary amounts contained herein are expressed in Canadian dollars, unless otherwise stated.

GENERAL BACKGROUND

Hanfeng and its Chinese Subsidiary

11. Hanfeng, through its wholly-owned subsidiaries, was a developer and producer of value-added fertilizers in the People's Republic of China ("China"). The Company is incorporated under the laws of Ontario with its registered head office in Toronto.

12. The Company has no independent operations and exists solely as a holding company for certain operating entities located in China. By mid-August 2014, the

Company's principal remaining un-monetized asset was all the issued and outstanding shares of the Chinese Subsidiary (the "Shares"). The Chinese Subsidiary is a Wholly Foreign-Owned Enterprise ("WFOE") that was established and is registered in China.

13. In accordance with its articles of association, the board of the Chinese Subsidiary is required to have three directors. The board composition currently consists of the following:

- Mr. Yu Xinduo, founder and former CEO of the Company, who owns and controls approximately 20.4% of the Company's Shares;
- Qi Zhida, General Manager of the Chinese Subsidiarity; and
- a vacancy due to the third director having passed away.

14. Mr. Yu is also currently the legal representative of the Chinese Subsidiary, a position that is responsible for the overall activities of the Chinese Subsidiary. The Chinese Subsidiary is managed by Mr. Yu and a team of individuals designated by him (collectively, the "Local Management Team"). The Local Management Team controls the Chinese Subsidiary's business license, chop sets (which are company seals required for executing documents and government registrations) and bank accounts.

15. Pursuant to a guarantee agreement by Mr. Yu in favour of the purchaser dated August 8, 2014 (the "Yu Guarantee"), Mr. Yu has agreed to: a) remain with the Chinese Subsidiary for a transition period of 12 months; ii) act as the legal representative of the Chinese Subsidiary; and iii) take all commercially reasonable efforts during the transition period to safeguard the interests of the Chinese Subsidiary and to protect it from certain risks. Copies of the Share Transfer Agreement and the Yu Guarantee are attached hereto as **Appendix "E".**

16. The Receiver also engaged Mr. Yu to, among other things, facilitate communication with the purchaser primarily due to his involvement in dealing with the purchaser prior to the Receivership proceedings.

Share Transfer Transaction

17. The Share Transfer Agreement provides that the total purchase price for all of the Shares is RMB 248 million (approximately $49.6 million), of which cash consideration is RMB 198.4 million. Set out in the table below is a summary of the timing and amount of the payments and consideration provided for in the agreement.

Description	Amount (RMB)	Time
5% of the total purchase price (the "**5% Deposit**")	12,400,000	Within 7 business days of the date of the Share Transfer Agreement
15% of the total purchase price (the "**15% Interim Payment**")	37,200,000	Within 10 business days of the Court approval of the Share Transfer Transaction
60% of the total purchase price (the "**Final Payment**")	148,800,000	Within 10 days upon closing of the Share Transfer Transaction
Total Cash Consideration	**198,400,000**	
20% of the total purchase price in promissory note ("the **Promissory Note**") to be assigned to Mr. Yu Xinduo on account of approximately 20.4% of the Company's shares owned or controlled by Mr. Yu	49,600,000	Within 10 days upon closing of the Share Transfer Transaction
Total Purchase Price	**248,000,000**	

China's Regulatory Approvals

18. The regulatory framework in China governing a share transfer transaction in connection with a WFOE is complex. Further, the Receiver understands there is uncertainty in how laws and regulations in China may be applied in a particular instance, which leads to a lack of certainty in the documentation requirements and review criteria of the local authorities.

19. It is the Receiver's understanding the Share Transfer Transaction is subject to multiple regulatory approvals in China, which include the two following milestones:

(a) approval by Harbin Economic Cooperation Promotion Bureau ("**HECPB**") (the "**HECPB Approval**"); and

(b) updating of the business license of the Chinese Subsidiary by HAIC upon registration of the purchaser as the shareholder of the Chinese Subsidiary (the "**Business License Registration**"). Under Chinese law, the registration of a new business license marks the completion of transfer of ownership and in this case also represents the closing of the Share Transfer Transaction (the "**Closing**").

20. The Receiver further understands HECPB Approval is a prerequisite of the review by China's other regulatory bodies, which are generally expected to follow the decision of HECPB. While it is difficult to estimate the time required to clear all necessary regulatory approvals; after the HECPB Approval is issued, it is possible to complete the other regulatory approvals in a relatively short order (as quick as approximately 2 to 3 weeks), assuming all required documentation is in order.

21. Further, remittance of the purchase price proceeds from China to Canada is subject to regulatory clearance by China's State Administration of Foreign Exchange ("**SAFE**").

SHARE TRANSFER TRANSACTION UPDATE

Delayed and Failed Wire Transfers

22. As discussed in the First Report, the Receiver received the 5% Deposit in the amount of RMB 12.4 million (approximately $2.2 million) on August 28, 2014, which was 9 days after the due date pursuant to the Share Transfer Agreement.

23. As further discussed in the First Report, the Receiver was advised by the purchaser that the remittance of the 15% Interim Payment was delayed as the bank handling the remittance (i.e., the Bank of East Asia or "**BEA**") made a request to review an

authenticated copy of the Approval Order, which was couriered by the Receiver in the week of September 15, 2014.

24. In the interim, the Receiver continued to follow up with the purchaser and Mr. Yu on the status of wire transfer, and confirmed with the purchaser and BEA certain information regarding the Canadian depository bank account. However, on November 6, 2014, the purchaser advised that its remittance request for the 15% Interim Payment had been rejected by BEA, as it had been determined that a different category of SAFE clearance should apply to this type of wire transfer (i.e., a capital account foreign exchange transaction). The necessary SAFE clearance (the "**Foreign Exchange Registration**") requires the purchaser to present, *inter alia*, the following:

- The HECPB Approval; and
- Tax clearance in respect of the Share Transfer Transaction from the local tax authorities (the "**Tax Clearance**").

25. In October, 2014, the Receiver engaged the Beijing office of MayerBrown JSM ("**MayerBrown**") as counsel in China to assist the Receiver to better understand China's regulatory environment and evaluate options. The Receiver, with the assistance of MayerBrown, took steps to review and discuss the payment issues with the purchaser, Mr. Yu and BEA.

26. Subsequent to its failure to remit the 15% Interim Payment, the purchaser requested the Receiver to provide certain additional authenticated documentation (the "**Additional Documentation**") in order to proceed with the HECPB Approval process (prior to making any interim payment).

27. The purchaser's suggested course of action would result in the Receiver releasing documents to the purchaser, which documents the purchaser may then use to

complete the ownership transfer without having paid 95% of the Cash Purchase Price.

28. In light of the required wire transfer approvals and payment remittance issues encountered to date, as well as the potential short time frame between the HECPB Approval and Closing, the Receiver was concerned with the heightened collection risk associated with the approach suggested by the purchaser, whereby the 15% Interim Payment may not be remitted by the purchaser and received by the Receiver until after Closing. After consultation with MayerBrown and Stikeman Elliott LLP ("**Stikeman**"), the Receiver's Canadian counsel (collectively, "**Counsel**"), the Receiver's view was that it is imperative for the 15% Interim Payment to be made prior to proceeding with the HECPB Approval process. Accordingly, the Receiver has not yet provided the purchaser with the Additional Documentation.

Escrow Account in China

29. The Receiver, with assistance of the Counsel, engaged in extensive discussions with the purchaser and Mr. Yu with a view to finding a practical and acceptable solution within the framework contemplated in the Share Transfer Agreement, while complying with China's regulatory requirements.

30. Starting in or around the week of November 24, 2014, the focus of the discussions with the purchaser and Mr. Yu began to move toward using an escrow account in China to receive the remaining purchase price and to proceed with the Share Transfer Transaction.

31. In December 2014, the purchaser advised it was prepared to use the Harbin branch of China Minsheng Bank ("**Minsheng Bank**") as the escrow agent. The Receiver, with assistance of MayerBrown and Stikeman, then engaged in extensive negotiations with the purchaser and Mingsheng Bank in order to reach escrow arrangements acceptable to all the parties.

32. On February 11, 2015, the Receiver authorized Mr.Yu, on behalf of the Receiver, to enter into an escrow agreement (the "**Escrow Agreement**") with the purchaser and Minsheng Bank on the following terms:

(a) the purchaser shall deposit the 15% Interim Payment into an escrow account under the purchaser's name with the Minsheng Bank (the "**Escrow Account**") within 5 business days of the date of the Escrow Agreement;

(b) the 15% Interim Payment to be released to Canada within 1 business day after completing the Tax Clearance;

(c) within 10 business days after the Business License Registration, the Final Payment is to be deposited into the Escrow Account and then released to Canada; and

(d) prior to the deposit of the Final Payment, the Chinese Subsidiary's representative shall have custody of original documents including the HECPB Approval and the business license of the Chinese Subsidiary.

33. The Receiver understands the Escrow Account was opened with the Minsheng Bank on or about February 13, 2015, and the deposit of the 15% Interim Payment became due on or about February 16, 2015 pursuant to the Escrow Agreement.

Further Impasse and the Purchaser's Failure to Meet Its Commitments

34. The purchaser has failed to fund the escrow account in accordance with the Escrow Agreement. The Receiver was initially informed by the purchaser that the delay in funding the escrow was caused by its office closure during the Chinese New Year holiday season between February 14 and March 6, 2015. However, on a conference call on March 11, 2015, the purchaser advised it was unable to make the 15% Interim Payment on time due to its tight liquidity related to the seasonality of its business and requested an extension to fund the Escrow Account.

35. After numerous discussions, on March 23, 2015 the purchaser committed to a new timeframe to fund the 15% Interim Payment in 3 installments by April 30, 2015, (the "**March Commitment**"), which commitment the purchaser again failed to meet. The table below summarizes payments received by the Receiver and in the Escrow Account to date.

Description	RMB	Due Date Per Share Transfer Agreement	Due Date Per Esrow Agreement	March Commitment	Received Date	Note
Initial Deposit (5%)	12,400,000	19-Aug-14	N/A	N/A	28-Aug-14	Received by Receiver
Partial payments on the 15% Interim Payment	5,000,000	03-Sep-15	16-Feb-15	03-Apr-15	03-Apr-15	Depoisited into the
	2,000,000	03-Sep-15	16-Feb-15	17-Apr-15	17-Apr-15	Escrow Account at
	3,000,000	03-Sep-15	16-Feb-15	17-Apr-15	21-Apr-15	Minsheng Bank
	27,200,000	03-Sep-15	16-Feb-15	30-Apr-15	Outstanding	
Balance of Cash Purchase Price	148,800,000	10 business days days after Closing			Outstanding	
Total Cash Purchase Price	198,400,000					

36. At the time of preparing this Second Report, the purchaser has yet to fund the majority of the 15% Interim Payment (i.e., 27.2 million RMB or the "**Remaining 15% Interim Payment**") pursuant to its March Commitment. Despite numerous clarifications made and additional documents provided by the Receiver, the purchaser has indicated it has concerns regarding reviewing/handling certain documents required for the HECPB Approval.

37. Further, as a condition to funding the Remaining Interim Payment, the purchaser requested to review certain documents, including an executed board resolution of the Chinese Subsidiary approving the Share Transfer Transaction (the "**Sub Board Resolution**"). The Sub Board Resolution requires unanimous approval and original signatures of all three directors of the board. Due to the vacancy in the board of the Chinese Subsidiary, the Receiver is in the process of filling the vacancy in order for the Board of the Chinese Subsidiary to be able to execute any required board resolutions.

Receiver's Continued Efforts to Close the Share Transfer Transaction

38. In the past several months, the Receiver, with assistance of its Counsel, has made continued efforts to move forward the Share Transfer Transaction, including:

    (a) engaging in extensive discussions with the purchaser and Mr. Yu by phone and email in order to break through the impasse;

    (b) meeting with Mr. Yu in person in Toronto on December 22, 2014 and May 4, 2015;

    (c) the Receiver requesting an in-person meeting with the purchaser (the purchaser requested to meet in Toronto, but subsequently advised that its representatives' visa applications were rejected by the Canadian Embassy in Beijing); and

    (d) sending a letter dated May 22 on to the purchaser (the "**May 22 Letter**" demanding the purchaser to fulfill its obligations pursuant to the Share Transfer Agreement and the Escrow Agreement. A copy of the May 22 Letter is attached hereto as **Appendix "F"**.

39. In view of the purchaser's repeated and continuing failure to fulfill its obligations and commitments and the Receiver's findings in regards to the purchaser's identity (as described below), the Receiver sees substantially increased collection risk in closing the Share Transfer Transaction. Accordingly, the Receiver, with assistance of the Counsel and other advisors, has taken various steps to assess the current situation, ascertain the purchaser's intent and ability to make the required payments, and evaluate possible realization alternatives.

NEW INFORMATION CONCERNING THE PURCHASER

40. The purchaser referred to in the Approval Order is Heilongjiang Pengcheng Fertilizer Co., Ltd. ("**HLJ Pengcheng**"). However, the Receiver has noted the purchaser in the Share Transfer Agreement is referenced by a similar but different

company name. While continuing its efforts to close the Share Transfer Transaction, the Receiver, with assistance of MayerBrown and other advisors, has taken steps to investigate and obtain information in respect of the purchaser in the Share Transfer Agreement.

41. While the investigations are still ongoing at the time of preparing this Second report, the Receiver has learned the following:

(a) the Chinese Subsidiary received a letter of intent dated June 16, 2014 from an entity that identified itself as HLJ Pengcheng. Prior to entering into the Share Transfer Agreement, the Company conducted due diligence, including obtaining an independent report from Deloitte LLP, in respect of HLJ Pengcheng.

(b) the entity that executed the Share Transfer Agreement is a different company called **Harbin** Pengcheng Fertilizer Co. Ltd. (emphasis added) ("**New Pengcheng**");

(c) the Receiver, since its appointment, has been dealing with representatives of New Pengcheng and Mr. Yu;

(d) unlike HLJ Pengcheng, which is a well-established company, New Pengcheng appears to be a shell company with no operations that was only registered on August 4, 2014 (4 days before the signing of the Share Transfer Agreement) and has very limited publicly available information;

(e) the Receiver has been unable to establish any connection between New Pengcheng and HLJ Pengcheng. The Receiver has conducted independent investigation including contacting senior management of HLJ Pengcheng who informed the Receiver that HLJ Pengcheng has not entered into a transaction to acquire the Chinese Subsidiary.

42. These findings and New Pencheng's ongoing failure to meet its obligations, in particular with respect of the required payments owing by New Pengcheng under the Share Transfer Transaction, have caused considerable delay and expense, leading the Receiver to question the genuineness of New Pengcheng and its intention.

43. Further, the Receiver has taken steps to investigate potential connections between Mr. Yu and the purchaser, since it was Mr. Yu who reported to the board of the Company of the purchaser's interest as described in paragraph 61 of the affidavit of Jonathan Pollack, former Lead Director of the Company, sworn August 13, 2014 (the "**Pollack Affidavit**") filed in connection with the Company's motion for the Approval Order and the Appointment Order. A copy of the Pollack Affidavit is attached hereto as **Appendix "G"**. In accordance with the Receiver's understanding, Mr. Yu played a central role in entering into the Share Transfer Agreement with the purchaser.

44. On July 10, 2015, the Receiver had an in person meeting with Mr. Yu (the "**July 10th meeting**") to, among other things (as discussed further herein), clarify his knowledge on and relationship with the purchaser. Mr. Yu maintains his position that New Pengcheng is an affiliate of HLJ Pengcheng. When asked to explain why the Receiver has not been able to establish any connections between the two entities, Mr. Yu commented that to his knowledge only certain HLJ Pengcheng executives are aware of the transaction and, for reasons undisclosed, may not want to acknowledge their involvement in the Share Transfer Transaction. Further, Mr. Yu stated he has no personal connection with New Pengcheng and that he is not aware of any relationship between New Pengcheng, including its representatives, and the Chinese Subsidiary.

45. The Receiver requests the Court to authorize the Receiver to take the steps necessary to complete its ongoing investigation and to consider alternatives to realize on the Heilongjiang Assets. The priority of the Receiver's investigation is to

determine the parties controlling the purchaser, and ascertain the purchaser's true ability and intent to close the Share Transfer Transaction by seeking direct and indirect information.

46. Based on information from the on-going investigation, the Receiver may consider taking cause of action against the purchaser and/or any other parties who are liable for damages and losses incurred by the Company in connection with the Share Transfer Transaction if it fails to close in accordance with its terms.

CURRENT STATUS OF THE CHINESE SUBSIDIARY

47. As described in the Background section, the Chinese Subsidiary is managed by the Local Management Team under Mr. Yu's supervision and employs approximately 180 employees.

48. Mr. Yu has, on several occasions, advised the Receiver that the Chinese Subsidiary's operations have been dormant since around April 2014. However, over a nine month period from September 2014 to May 2015, the Chinese Subsidiary's cash burn has been more than what would be expected for a non-producing manufacturing facility. Notwithstanding numerous follow-ups, the Receiver has found the financial and operational information provided by the Local Management Team and Mr. Yu to be inadequate and inconsistent with representations made by the Local Management Team and Mr. Yu of the status of the Chinese Subsidiary.

49. To date, the Receiver has received very limited cooperation from the Local Management Team, making it difficult and, in practical terms, impossible to gain full or adequate access to financial or operational information of the Chinese Subsidiary to assess the status of the Chinese Subsidiary's activities in a timely manner.

50. In June 2015 as part of its on-going investigation, the Receiver learned that three lawsuits have recently been registered by another Chinese bank with Harbin Intermediate People's Court (the "**Harbin Court**") in May and June 2015 naming the Chinese Subsidiary, Mr.Yu and Heilongjiang Great Northern Wilderness Hanfeng Agricultural Development Co Ltd (the Receiver understands this third defendant to be an affiliate of Beidahuang Agricultural Company Limited, the largest former customer of the Chinese Subsidiary) ("**Beidahuang**"), as the defendants. One lawsuit appears to be related to a contract dispute, and other two related to loan agreement disputes. At the July 10th Meeting, Mr. Yu denied any knowledge of these lawsuits and dismissed them as "Beidahuang's issues" without providing further details. Mr. Yu has also confirmed again that the Chinese Subsidiary is not subject to any guarantee claims or collateral claims. At the time of preparing this Second Report, the Receiver is still following up with the Local Management Team and the Harbin Court in order to gather more information regarding the nature and status of the lawsuits.

51. The Receiver is of the view that Mr. Yu has not been fulfilling his duties of facilitating the completion of the Share Transfer Transaction with the purchaser or his duties as the legal representative of the Chinese Subsidiary, including the safeguarding of its cash and other assets.

52. Paragraph 3(r) of the Appointment Order authorizes the Receiver to exercise any shareholder, partnership, joint venture or other rights which the Company may have. On May 22, 2015, the Receiver informed Mr. Yu in writing that a process has been initiated to remove him as the legal representative and a director of the Chinese Subsidiary.

CONTROL OVER THE CHINESE SUBSIDIARY

53. The Receiver considers it imperative to effect control over the Chinese Subsidiary through reorganizing its board and changing its legal representative for the following reasons:

    (a) the ongoing delays and increased risk in closing the Share Transfer Transaction;

    (b) the Receiver's ongoing investigation regarding New Pengcheng as the purchaser and any potential association between the purchaser and Mr. Yu; and

    (c) concerns about the potential deterioration of the Heilongjiang assets and lack adequate collaborating support regarding the status of the Chinese Subsidiary from Mr. Yu and the Local Management Team.

54. After consultation with certain stakeholders, the Receiver has engaged Mr. Hong Rong-Kai in July 2015 to assist with the evaluation of the current situation. Mr. Hong is a Canadian Citizen who received his PhD degree from the University of Toronto. The Receiver understands that Mr. Hong has extensive experience in restructuring, general management and operation management from his previous employment with several multinational companies. The Receiver is advised that Mr. Hong founded four companies (one in China, two in Taiwan and one in Toronto) and has provided freelance advisory services to a wide variety of clients. Mr. Hong is familiar with the transactional environment in China. A copy of Mr. Hong's curriculum vitae is attached hereto as **Appendix "H".** With the Court's approval, the Receiver is prepared to engage Mr. Hong and his company to provide interim management services in connection with the Chinese Subsidiary based on daily rates of US$1,700 and US$1,000 for Mr. Hong and for an associate,

respectively, payable on a monthly basis. A copy of the draft engagement letter is attached hereto as **Appendix "I"**.

55. Mr. Hong's engagement includes the appointments of

- Mr. Hong as the legal representative and a director of the Chinese Subsidiary to replace Mr. Yu; and
- an associate of Mr. Hong as a director to replace Mr. Qi.

56. The initial priority of Mr. Hong's engagement is to take control of the Chinese Subsidiary and, at the same time, evaluate alternatives to realize on the Heilongjiang Assets and assist the Receiver in its investigation.

57. In June 2015, the Receiver also undertook to appoint Mr. Guan Liu, a lawyer based in Harbin, China as a director of the Chinese Subsidiary to replace the deceased director. In the process of registering Mr. Guan's status, it has become clear that local authorities are being very stringent in registering any change of directors in respect of the Chinese Subsidiary due to disputes incurred during Hanfeng's previous proxy battle in 2013/2014 described in the Pollock Affidavit.

58. In the week of June 29, 2015, HAIC (the agency responsible for director registrations) indicated that it is not satisfied with the sufficiency of the Appointment Order with respect to the Receiver's power and authority to appoint or remove the Chinese Subsidiary's legal representative. The Receiver understands that HAIC has asked for a Court Order that clearly sets out such authorities and powers of the Receiver.

59. At the July 10^{th} Meeting, the Receiver requested again Mr. Yu's full cooperation in registering Mr. Hong as the new legal representative and director and transferring to the new legal representative all chop sets, seals and licenses of the Chinese Subsidiary. Mr. Yu has indicated he willingness to cooperate but only on the

condition that the all funds paid by the purchaser, including the non-refundable 5% Initial Deposit and the funds currently in the Escrow, be returned to the purchaser. Mr. Yu indicated the condition was necessary due to personal liability under the Yu Guarantee and potential collection efforts against himself in China.

60. In view of the urgency of completing the board reorganization and change in legal representative in order to preserve the Heilongjiang Assets, the Receiver requests this Court to make an Order reaffirming the authority and power of the Receiver to take any necessary steps to effect the board reorganization, including the appointment of Mr. Hong and Mr. Guan and the authority and power of the Receiver to change the legal representative.

61. Further, the Receiver respectfully requests the Court to require Mr. Yu to provide his full cooperation in the board reorganization and change of legal representative processes, including but not limited to, executing the necessary documents and surrendering the chop sets, seals and licenses of the Chinese Subsidiary. In accordance with the Receiver's understanding, the local authorities' review process could be substantially prolonged if Mr. Yu refuses to execute certain documents required for registering the new legal representative and directors.

SUMMARY OF RECIEVER'S OTHER ACTIVITIES

62. In addition to the activities described above and in the First Report, the Receiver has taken various steps pursuant to the Appointment Order as detailed below:

(a) took possession of the Company's Canadian bank accounts;

(b) took possession of the Company's available books and records;

(c) vacated the Company's office located at 2 St. Clair Avenue. West, Suite 610, Toronto;

(d) prepared and filed tax returns (including certain statutory information forms) for the Company and Hanfeng Slow-Release Fertilizer (Canada) Co. Ltd., an affiliate of the Company in relation to i) the fiscal year ended June 30, 2014; and ii) the stub period from July 1, 2014 to August 19, 2014;

(e) responded to inquiries from stakeholders;

(f) consulted certain stakeholders as appropriate with respect to the Share Transfer Transaction;

(g) took various steps in initiating and administering the Claims Process pursuant to the Claims Procedure Order, including:

- placing newspaper ads in the *Globe and Mail* (national edition), *National Post* (national edition), and a local newspaper in China in respect of the Claims Process;

- mailing a claims package to all known creditors and to people who requested it; and

- administering the Claims Process as described further herein.

63. The Receiver received 77 claims for a total claim amount of $16.2 million prior to the Claims Bar Date (i.e., 5:00 p.m. Eastern Time on November 10, 2014) (the "**Claims**") and two claims for a total claim amount of $17 thousand after the Claims Bar Date (the "**Late Claims**"). The 77 Claims comprised of: i) 60 Claims related to shareholder rights with a total face value of $11.9 million (the "**Equity Claims**") and ii) 17 non-equity Claims with a total claim value of $4.3 million (the "**Non-Equity Claims**").

64. The Receiver has sent letters to the claimants of the Equity Claims to confirm the receipt of those Equity Claims. The Receiver, in consultation with Stikeman, is continuing to take steps to review, accept, resolve or disallow the Non-Equity

Claims as appropriate. The Receiver will report to this Court in a separate report with respect to the Claims Process.

SUMMARY OF RECEIPTS AND DISBURSEMENTS

65. Attached hereto as **Appendix "J"** is the Receiver's statement of receipts and disbursements for the period August 20, 2014 to June 30, 2015, which reflects the ending balances of approximately $2.3 million and USD 52 thousand as of June 30, 2015.

RECOMMENDATIONS

66. Based on the foregoing, the Receiver respectfully recommends this Court make an Order granting the following relief:

    i. clarifying and expanding the Receiver's power and authority to exercise the shareholder rights that the Company has, including but not limited to, to change the legal representative and directors of the Chinese Subsidiary;

    ii. authorizing and empowering the Receiver to renegotiate and, if necessary, terminate the Share Transfer Agreement as the Receiver in its discretion deems appropriate in the circumstances;

    iii. authorizing the Receiver to take any necessary actions and steps to safeguard the assets, complete its ongoing investigation and to consider alternatives to realize on the assets of the Chinese Subsidiary, in whole or in part, for the benefit of the Company's creditors and shareholders, if the Receiver in its discretion sees no reasonable prospect in closing the Share Transfer Transaction;

    iv. authorizing the Receiver to take any necessary actions and steps to effect control over the Chinese Subsidiary;

    v. approving the Receiver to engage Mr. Rong-Kai Hong and his company, Formosa Supply Services Co., Ltd (FSS), to provide interim management services in connection with the Chinese Subsidiary, including appointment of Mr. Hong as the New Legal Representative and a director of the Chinese Subsidiary and Mr. Hong's associate as a director of the Chinese subsidiary;

vi. requiring Mr.Yu Xinduo, the current legal representative, to provide full and timely cooperation to the Receiver in carrying out the actions described above including but not limited to the following:

(a) obtaining the Receiver's written approval prior to executing any documents or entering into any agreement in his capacity as the legal representative of the Chinese Subsidiary;

(b) attending at HAIC in order to facilitate the change of legal representative of the Chinese Subsidiary;

(c) surrendering all chop sets, including the company chop and finance chops, relating to the Chinese Subsidiary and any of its subsidiaries to the New Legal Representative;

(d) surrendering all online banking tokens of the Chinese Subsidiary to the New Legal Representative;

(e) surrendering to the New Legal Representative all corporate licenses, certificates and registrations of the Chinese Subsidiary and any of its subsidiaries, including the original business license, replicate business license, organizational code certificate, tax certificate and safe registration; and

(f) providing unfettered access for the New Legal Representative to the Chinese Subsidiary's offices and facilities; and

- approving the First Report and Second Report and the conduct and activities of the Receiver as described in each of the reports.

All of which is respectfully submitted this 17th day of July 2015.

ERNST & YOUNG INC.
In its capacity as Receiver of
Hanfeng and not in its personal or corporate capacity

Per:

Murray A. McDonald
President

Appendix "A"

Court File No. CV-14-10667-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE MADAM	)	WEDNESDAY, THE 20TH
	)	
JUSTICE MATHESON	)	DAY OF AUGUST, 2014

IN THE MATTER OF AN APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. c. C.43 (as amended)

AND IN THE MATTER OF HANFENG EVERGREEN INC.

APPROVAL AND VESTING ORDER

THIS APPLICATION, made by Hanfeng Evergreen Inc. (the "**Applicant**") for an order approving the sale transaction (the "**Transaction**") contemplated by a share transfer agreement (the "**Share Transfer Agreement**") between the Applicant and Heilongjiang Pengcheng Fertilizer Co., Ltd. (the "**Purchaser**") dated August 8, 2014 and appended to the Affidavit of Jonathan Pollack dated August 13, 2014 (the "**Pollack Affidavit**"), and vesting in the Purchaser the Applicant's right, title and interest in and to the shares described in the Share Transfer Agreement (the "**Purchased Shares**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Pollack Affidavit and on hearing the submissions of counsel for the Applicant and for Harris Christopoulos, no one appearing for any other person on the service list, although properly served as appears from the affidavits of service sworn August 14, 2014 and the affidavit of Sheila van Spronsen dated August 20, 2014, filed:

1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Share Transfer Agreement by the Applicant is hereby authorized and approved *nunc pro tunc*. Ernst & Young Inc., in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of the undertaking, property and assets of the Applicant, is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Shares to the Purchaser.

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "**Receiver's Certificate**"), all of the Applicant's right, title and interest in and to the Purchased Shares described in the Share Transfer Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order dated August 15, 2014; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Shares are hereby expunged and discharged as against the Purchased Shares.

3. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Shares shall stand in the place and stead of the Purchased Shares, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Shares with the same priority as they had with respect to the Purchased Shares immediately prior to the sale, as if the Purchased Shares had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

4. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

5. THIS COURT ORDERS that, notwithstanding:

(a) the pendency of these proceedings;

(b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicant and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made in respect of the Applicant;

the vesting of the Purchased Shares in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct by the Purchaser pursuant to any applicable federal or provincial legislation.

6. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the People's Republic of China to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

AUG 21 2014

MB

NBrown

Natasha Brown
Registrar

Schedule "A" – Form of Receiver's Certificate

Court File No. __________

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

IN THE MATTER OF AN APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. c. C.43 (as amended)

AND IN THE MATTER OF HANFENG EVERGREEN INC.

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable [NAME OF JUDGE] of the Ontario Superior Court of Justice (the "**Court**") dated August 15, 2014, Ernst & Young Inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of Hanfeng Evergreen Inc. (the "**Applicant**").

B. Pursuant to an Order of the Court dated August 15, 2014, the Court approved the agreement of purchase and sale made as of August 8, 2014 (the "**Share Transfer Agreement**") between the Applicant and Heilongjiang Pengcheng Fertilizer Co., Ltd. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Applicant's right, title and interest in and to the Purchased Shares, which vesting is to be effective with respect to the Purchased Shares upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Shares; (ii) that the conditions to Closing as set out in the Share Transfer Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Share Transfer Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Shares payable on the Closing Date pursuant to the Share Transfer Agreement;

2. The conditions to Closing as set out in the Share Transfer Agreement have been satisfied or waived by the Receiver and the Purchaser; and

3. The Transaction has been completed to the satisfaction of the Receiver.

4. This Certificate was delivered by the Receiver at _______ [TIME] on ______ [DATE].

ERNST & YOUNG INC., in its capacity as Receiver of the undertaking, property and assets of Hanfeng Evergreen Inc., and not in its personal capacity

Per: ________________________________

Name: Murray A. McDonald
Title: President, Ernst & Young Inc.

Court File No. CV-14-10667-00CL

IN THE MATTER OF AN APPLICATION UNDER SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. c. C.43 (as amended)

AND IN THE MATTER OF HANFENG EVERGREEN INC.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceedings commenced at Toronto

APPROVAL AND VESTING ORDER

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6281392 v7

Appendix "B"

Court File No. CV-14-10667-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MADAM	)	WEDNESDAY, THE 20TH
	)	
JUSTICE MATHESON	)	DAY OF AUGUST, 2014

IN THE MATTER OF AN APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. c. C.43 (as amended)

AND IN THE MATTER OF HANFENG EVERGREEN INC.

ORDER
(Appointment Order)

THIS APPLICATION made by the Applicant Hanfeng Evergreen Inc. (the "**Applicant**") for an Order pursuant to section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Ernst & Young Inc. ("**E&Y**") as receiver and manager (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of the Applicant acquired for, or used in relation to a business carried on by the Applicant, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Jonathan Pollack sworn August 13, 2014 and the Exhibits thereto and on hearing the submissions of counsel for Hanfeng and for Harris Christopoulos, no one appearing for anyone else although duly served as appears from the affidavits of service sworn August 14, 2014 and the affidavit of Sheila van Spronsen dated August 20, 2014, filed, and on reading the consent of E&Y to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 101 of the CJA, E&Y is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Applicant acquired for, or used in relation to a business carried on by the Applicant, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the transaction contemplated by the share transfer agreement with Heilongjiang Pengcheng Fertilizer Co., Ltd. dated August 8, 2014;

(b) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(c) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(d) to manage, operate, and carry on the business of the Applicant, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Applicant;

(e) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(f) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Applicant or any part or parts thereof;

(g) to receive and collect all monies and accounts now owed or hereafter owing to the Applicant and to exercise all remedies of the Applicant in collecting such monies, including, without limitation, to enforce any security held by the Applicant;

(h) to settle, extend or compromise any indebtedness owing to the Applicant;

(i) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Applicant, for any purpose pursuant to this Order;

(j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Applicant, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding $100,000, provided that the aggregate consideration for all such transactions does not exceed $1,000,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

(m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Applicant;

(q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Applicant, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Applicant;

(r) to exercise any shareholder, partnership, joint venture or other rights which the Applicant may have;

(s) to seek Court approval of and conduct a procedure for the solicitation, determination and resolution of claims against the Applicant;

(t) to seek Court approval to distribute any proceeds of any sale of the Property to the stakeholders of the Applicant in accordance with their relative priorities pursuant to further Order of the Court;

(u) to take such steps and execute such documents as may be necessary or desirable to purchase tail director and officer liability insurance coverage; and

(v) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Applicant, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Applicant, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the

Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Applicant, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least

seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Applicant or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Applicant or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Applicant, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided that nothing in this paragraph shall (i) empower the Receiver or the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) exempt the Receiver or the Applicant from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Applicant are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Applicant's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Applicant shall remain the employees of the Applicant until such time as the Receiver, on the Applicant's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the *Bankruptcy and Insolvency Act* (Canada) ("**BIA**"), other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act (Canada).*

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada), the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Applicant, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the

Canadian Environmental Protection Act, the *Environmental Protection Act* (Ontario), the *Water Resources Act* (Ontario), or the *Occupational Health and Safety Act* (Ontario) and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act* (Canada).

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates

and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

SERVICE AND NOTICE

21. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL 'http://www.ey.com/ca/hanfeng'.

22. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

23. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

24. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Applicant.

25. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the People's Republic of China to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

26. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

27. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

Natasha Brown
Registrar

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Appendix "C"

Court File No. CV-14-10667-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR	)	TUESDAY, THE 23rd
	)	
JUSTICE WILTON - SIEGEL	)	DAY OF SEPTEMBER, 2014

IN THE MATTER OF AN APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. c. C.43 (as amended)

AND IN THE MATTER OF HANFENG EVERGREEN INC.

ORDER
(Claims Procedure Order)

THIS MOTION, made by Ernst & Young Inc., in its capacity as the receiver (the "**Receiver**") of Hanfeng Evergreen Inc. ("**Hanfeng**"), for an order approving a procedure for the identification, determination and resolution of claims against Hanfeng, in accordance with the terms of the Claims Procedure Order (as these terms are defined below), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the First Report of the Receiver dated September 12, 2014, and on hearing the submissions of counsel to the Receiver, no one appearing for any other person on the Service List, although properly served as appears from the affidavit of service, filed:

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and Motion Record in respect of this Motion is hereby abridged so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINITIONS

2. **THIS COURT ORDERS** that, for purposes of this Order establishing a claims procedure for Hanfeng (the "**Claims Procedure Order**"), in addition to terms defined elsewhere herein, the following terms shall have the following meanings:

   (a) "**9:30 Appointment**" means a chambers appointment with a Justice of the Court which may be scheduled for 9:30 a.m. on any day on which the Court is sitting;

   (b) "**Appointment Order**" means the Order of the Honourable Madam Justice Matheson dated August 20, 2014, as extended and amended from time to time;

   (c) "**Assessments**" means Claims of Her Majesty the Queen in Right of Canada or of any Province or Territory or Municipality or any other taxation authority in any Canadian jurisdiction, including, without limitation, amounts which may arise or have arisen under any notice of assessment, notice of reassessment, notice of appeal, audit, investigation, demand or similar request from any taxation authority;

   (d) "**Business Day**" means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;

   (e) "**Claim**" means:

      (i) any right or claim of any Person against Hanfeng, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of Hanfeng in existence prior to the Date of Receivership, and any accrued interest thereon and costs payable in respect thereof to the Date of Receivership, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in part on facts which existed prior to the Date of Receivership, and includes any claims that would have been claims provable in bankruptcy had Hanfeng become bankrupt on the Date of Receivership (each a "**Pre-Filing Claim**", and collectively the "**Pre-Filing Claims**"); and

(ii) any existing or future right or claim of any Person against Hanfeng in connection with any indebtedness, liability or obligation of any kind whatsoever owed by Hanfeng to such Person arising on or after the Date of Receivership as a result of any disclaimer, resiliation, termination or breach on or after the Date of Receivership of any contract, lease, permit, authorization or other agreement existing on the Date of Receivership whether written or oral and whether such disclaimer, resiliation, termination or breach took place or takes place before or after the date of this Claims Procedure Order, including any accrued interest thereon and costs payable in respect thereof to the date of such disclaimer, resiliation, termination or breach, to the extent provided for in the contract, lease, permit, authorization or other agreement, each a **"Restructuring Claim"**, and collectively the **"Restructuring Claims"**);

For greater certainty, "Claim" includes any claim of a current or former shareholder of Hanfeng against Hanfeng with respect to any shares issued by Hanfeng at any time, including without limitation losses incurred by a former shareholder or losses to be incurred by a current shareholder.

(f) **"Claimant"** means a Person asserting a Claim;

(g) **"Claims Bar Date"** means 5:00 p.m. (Toronto Time) on **November 10, 2014;**

(h) **"Claims Officer"** means any individual designated by the Receiver or approved by the Court pursuant to paragraph 35 of this Claims Procedure Order;

(i) **"Claims Package"** means the package of documents which shall include a copy of this Order, the Notice of Claims Procedure and Claims Bar Date, the Proof of Claim and any other materials that the Receiver may consider appropriate;

(j) **"Claims Procedure"** means the procedures outlined in this Order, including the Schedules;

(k) **"Claims Procedure Order"** means this Order;

(l) **"Court"** means the Ontario Superior Court of Justice (Commercial List) in the City of Toronto, in the Province of Ontario;

(m) **"Date of Receivership"** means August 20, 2014;

(n) **"Dispute Package"** has the meaning ascribed to that term in paragraph 19(b) of this Claims Procedure Order;

(o) **"Excluded Claim"** means any Claim secured by any of the charges granted in the Appointment Order, including the Receiver's Charge as therein defined, or any charges granted in subsequent Orders of the Court;

(p) **"Known Creditor"** means a Person who the Receiver received actual notice may have a Pre-Filing Claim against Hanfeng, or that the books and records of Hanfeng show as owed an amount prior to the Appointment Order;

(q) **"Notice of Claims Procedure and Claims Bar Date"** means the notice for publication, substantially in the form attached as **Schedule "A"** hereto;

(r) **"Notice of Dispute"** means a notice substantially in the form attached as **Schedule "D"** hereto;

(s) **"Notice of Revision or Disallowance"** means a notice substantially in the form attached as **Schedule "C"** hereto;

(t) **"Orders"** means any and all orders issued by the Court, including the Appointment Order;

(u) **"Person"** means any individual, partnership, firm, joint venture, trust, entity, corporation, unincorporated organization, trade union, pension plan administrator, pension plan regulator, governmental authority or agency, employee or other association, or similar entity, howsoever designated or constituted;

(v) **"Pre-Filing Claim"** has the meaning ascribed to that term in paragraph 2(f)(i) of this Claims Procedure Order;

(w) **"Proof of Claim"** means the form substantially in accordance with the form attached hereto as **Schedule "B"**;

(x) **"Proven Claim"** means the amount of a Claim and its classification as a secured Claim or an unsecured Claim, as finally determined in accordance with this Claims Procedure;

(y) **"Receiver"** means Ernst & Young Inc., in its capacity as the Court-appointed Receiver of Hanfeng;

(z) **"Receiver's Website"** means http://www.ey.com/ca/hanfeng.

(aa) **"Restructuring Claim"** has the meaning ascribed to that term in paragraph 2(f)(ii) of this Claims Procedure Order.

INTERPRETATION

3. **THIS COURT ORDERS** that all references as to time herein shall mean local time in Toronto, Ontario, Canada, and any references to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day, unless otherwise indicated herein.

4. **THIS COURT ORDERS** that all references to the word "including" shall mean "including without limitation".

5. **THIS COURT ORDERS** that all references to the singular herein include the plural, the plural include the singular, and any gender includes the other gender.

GENERAL PROVISIONS

6. **THIS COURT ORDERS** that the Receiver is hereby authorized to (a) use reasonable discretion as to the adequacy of compliance with respect to the manner in which any Proof of Claim is completed, and may, where it is satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Claims Procedure Order as to the completion and execution of such Proof of Claim, and (b) request such further documentation from a Claimant that the Receiver may reasonably require in order to enable them to determine the validity of a Claim. Notwithstanding anything contained herein, the Receiver shall not have any discretion to accept any Claim submitted subsequent to the Claims Bar Date.

7. **THIS COURT ORDERS** that any Pre-Filing Claim denominated in a foreign currency shall be converted to Canadian dollars for the purposes of this Claims Procedure on the basis of the Bank of Canada Canadian dollar noon exchange rate on the Date of Receivership and that any Restructuring Claim denominated in a foreign currency shall be converted to Canadian dollars for the purposes of this Claims Procedure on the basis of the Bank of Canada Canadian dollar noon exchange rate on the date that such Restructuring Claim arose.

8. **THIS COURT ORDERS** that interest and penalties that would otherwise accrue after the Date of Receivership shall not be included in any unsecured Claim. Amounts claimed in Assessments whether issued before or after the Date of Receivership shall be subject to this Claims Procedure Order and there shall be no presumption of validity or deeming of the amount due in respect of the Claim set out in any Assessment.

RECEIVER'S ROLE

9. **THIS COURT ORDERS** that the Receiver, in addition to its rights, duties, responsibilities and obligations under the Orders, is hereby directed and empowered to take such other actions and fulfill such other roles as are contemplated by this Claims Procedure Order and are incidental thereto.

10. **THIS COURT ORDERS** that the Receiver, in carrying out the terms of the Claims Procedure Order, shall have all of the protections given to it by the Order or as an officer of this Court, including the stay of proceedings in its favour, shall incur no liability or obligation as a result of the carrying out of its obligations under this Claims Procedure Order, shall be entitled to rely on the books and records of Hanfeng, and any information provided by Hanfeng or a Claimant, and shall not be liable for any claims or damages resulting from any errors or omissions in such books, records, or information.

GENERAL CLAIMS PROCEDURE

Notice of Claims Bar Date

11. **THIS COURT ORDERS** that:

(a) The Receiver shall cause the Notice of Claims Procedure and Claims Bar Date to be placed in each of the *Globe and Mail* (national edition), the *National Post* (national edition), and a local newspaper in Heilongjiang province in the People's Republic of China as soon as practicable after the date of this order and in any event within five (5) Business Days of the date hereof;

(b) The Receiver shall cause the Notice of Claims Procedure and Claims Bar Date to be posted on the Receiver's Website as soon as practicable after the date of this Order and in any event within three (3) Business Days of the date hereof and cause it to remain posted thereon until its discharge as Receiver of Hanfeng;

(c) Within three (3) Business Days of the date of this Order, the Receiver shall send a Claims Package to Known Creditors by mail, courier, facsimile transmission or electronic mail; and

(d) The Receiver will send a copy of the Claims Package by mail, courier, facsimile transmission or electronic mail as soon as practicable following receipt of a request for a package, to any Claimant requesting such material prior to the Claims Bar Date.

<u>Deadline for Submitting a Claim</u>

12. **THIS COURT ORDERS** that any Person that wishes to assert a Claim must deliver to the Receiver on or before the Claims Bar Date a completed Proof of Claim form, together with all relevant supporting documentation in respect of such Claim, in the manner set out in this Claims Procedure Order.

13. **THIS COURT ORDERS** that any Person who does not file a Proof of Claim with the Receiver in accordance with this Order by the Claims Bar Date shall be forever barred from asserting or enforcing such Claim against Hanfeng and Hanfeng shall not have any liability whatsoever in respect of such Claim and such Claim shall be extinguished without any further act or notification by Hanfeng or the Receiver.

<u>ADJUDICATION OF CLAIMS</u>

<u>Adjudication of Claims</u>

14. **THIS COURT ORDERS** that the Receiver shall review the information filed by each Claimant with respect to a Pre-Filing Claim or a Restructuring Claim that is received by the Claims Bar Date and may accept, revise or disallow such Pre-Filing Claim or Restructuring Claim, in whole or in part. At any time, the Receiver may request additional information from the Claimant with respect to any Pre-Filing Claim or Restructuring Claim.

15. **THIS COURT ORDERS** that the Receiver may attempt to consensually resolve the classification (as secured or unsecured) and amount of any Pre-Filing Claim or Restructuring Claim with the Claimant prior to accepting, revising or disallowing such Pre-Filing Claim or Restructuring Claim.

16. **THIS COURT ORDERS** that if the Receiver determines to revise or disallow a Pre-Filing Claim or Restructuring Claim, the Receiver shall notify the Claimant by sending a Notice of Revision or Disallowance to the Claimant as provided in this Order by no later than 5:00 p.m. (Toronto time) on a date that is twenty (20) days after receipt of the relevant Proof of Claim or such later date as the Court may order.

17. **THIS COURT ORDERS** that if a Claimant disputes the classification or amount of its Pre-Filing Claim or Restructuring Claim as set forth by the Receiver, then such Claimant may dispute such revision or disallowance by sending a Notice of Dispute so that it is received by no later than 5:00 p.m. (Toronto time) on a day that is 20 days after the date of the Notice of Revision or Disallowance or such later date as the Court may order.

18. **THIS COURT ORDERS** that any Claimant who fails to dispute a revision or disallowance by the deadline shall be deemed to accept the classification and amount of its Pre-Filing Claim or Restructuring Claim as set out in the Notice of Revision or Disallowance, and the Pre-Filing Claim or Restructuring Claim as set out in the Notice of Revision or Disallowance shall constitute a Proven Claim.

19. **THIS COURT ORDERS** that if a Claimant disputes a revision or disallowance of its Pre-Filing Claim or Restructuring Claim as set out in the Notice of Revision or Disallowance, the Receiver may:

(a) attempt to consensually resolve the classification and the amount of the Pre-Filing Claim or Restructuring Claim with the Claimant;

(b) deliver a package to the Claims Officer consisting of that Claimant's Proof of Claim, the Notice of Revision or Disallowance, the Notice of Dispute and any other materials which may be relevant for the determination of the dispute to the Claims Officer (the "**Dispute Package**"); and/or

(c) schedule a 9:30 Appointment with the Court for the purpose of scheduling a motion to resolve the Pre-Filing Claim or Restructuring Claim. At such motion the Claimant shall be deemed to be the applicant and the Receiver shall be deemed to be the respondent.

CLAIMS OFFICERS

20. **THIS COURT ORDERS** that the Receiver may appoint Claims Officers for the purposes of the Claims Procedure described herein.

21. **THIS COURT ORDERS** that if a Claim is referred to a Claims Officer for resolution, the Claims Officer shall determine the validity, amount and classification of disputed Claims in accordance with this Claims Procedure Order. A Claims Officer shall determine all procedural matters which may arise in respect of his or her determination of these matters, including the manner in which any evidence may be adduced. A Claims Officer shall have the discretion to determine by whom and to what extent the costs of any hearing before a Claims Officer shall be paid.

22. **THIS COURT ORDERS** that, notwithstanding anything to the contrary herein, the Receiver may at any time refer a Claim to a Claims Officer or to the Court for resolution, where in the Receiver's view such a referral is preferable or necessary for the resolution of the Claim.

23. **THIS COURT ORDERS** that upon receipt of a Dispute Package or referral for resolution pursuant to paragraphs 19 or 21 hereof, as applicable, the Claims Officer shall schedule and conduct a hearing to determine the validity, amount and/or classification of the Claim and shall as soon as practicable thereafter notify the Receiver and the Claimant of his or her determination.

24. **THIS COURT ORDERS** that the Receiver or the Claimant may appeal the Claims Officer's determination to this Court within 15 days of the date on which notification is deemed to have been received of the Claims Officer's determination of such Claim by serving upon the Receiver or the Claimant, as applicable, and filing with this Court a notice of motion returnable on a date to be fixed by this Court. Such an appeal is to be based on the record before the Claims Officer and will not be a

hearing *de novo*. If an appeal is not filed within such 15-day period, then the Claims Officer's determination shall, subject to a further order of the Court, be deemed to be final and binding and shall be a Proven Claim.

25. **THIS COURT ORDERS** that the Receiver shall pay the reasonable professional fees and disbursements of each Claims Officer in connection with such appointment as Claims Officer on presentation and acceptance of invoices from time to time. Each Claims Officer shall be entitled to a reasonable retainer against his or her fees and disbursements which shall be paid by the Receiver upon request. Any dispute as to fees and disbursements shall be resolved by the Court.

SET-OFF

26. **THIS COURT ORDERS** that the Receiver may set off (whether by way of legal, equitable or contractual set-off) against the Claims of any Claimant, any claims of any nature whatsoever that Hanfeng may have against such Claimant arising prior to the Date of Receivership, provided that it satisfies the requirements for legal, equitable or contractual set-off as may be determined by the Court if there is any dispute between the Receiver and the applicable Claimant. However, neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by Hanfeng of any such claim that Hanfeng may have against such Claimant.

NOTICE OF TRANSFEREES

27. **THIS COURT ORDERS** that if, after the Date of Receivership, the holder of a Claim transfers or assigns the whole of such Claim to another Person, the Receiver shall not be obligated to give notice or otherwise deal with the transferee or assignee of such Claim in respect thereof unless and until actual notice of transfer or assignment, together with satisfactory evidence of the existence and validity of such transfer or assignment, shall have been received and acknowledged by the Receiver in writing. Thereafter, such transferee or assignee shall for the purposes hereof constitute the "Claimant" in respect of such Claim. Any such transferee or assignee of a Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance

with this Claims Procedure Order prior to receipt and acknowledgment by the Receiver of satisfactory evidence of such transfer or assignment. A transferee or assignee of a Claim takes the Claim subject to any right of set-off to which Hanfeng may be entitled with respect to such Claim. For greater certainty, a transferee or assignee of a Claim is not entitled to set off, apply, merge, consolidate or combine any Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to Hanfeng.

28. **THIS COURT ORDERS** that if a Claimant or any subsequent holder of a Claim, who in any such case has previously been acknowledged by the Receiver as the holder of the Claim, transfers or assigns the whole of such Claim to more than one Person or part of such Claim to another Person, such transfers or assignments shall not create separate Claims and such Claims shall continue to constitute and be dealt with as a single Claim notwithstanding such transfers or assignments. The Receiver shall not, in each case, be required to recognize or acknowledge any such transfers or assignments and shall be entitled to give notices to and otherwise deal with such Claim only as a whole and then only to and with the Person last holding such Claim, provided such Claimant may, by notice in writing delivered to the Receiver, direct that subsequent dealings in respect of such Claim, but only as a whole, shall be dealt with by a specified Person and in such event, such Person shall be bound by any notices given or steps taken in respect of such Claim with such Claimant in accordance with the provisions of this Order.

29. **THIS COURT ORDERS** that Hanfeng and the Receiver are not under any obligation to give notice to any Person holding a security interest, lien or charge in, or a pledge or assignment by way of security in, a Claim, as applicable in respect of any Claim.

SERVICE AND NOTICES

30. **THIS COURT ORDERS** any notice, notification or communication required to be delivered by the Receiver pursuant to this Order may be delivered by mail, courier,

facsimile transmission or electronic mail to the address or number contained in the books and records of Hanfeng or as included in the Proof of Claim.

31. **THIS COURT ORDERS** that any notice, notification, dispute, or communication required to be delivered by a Claimant pursuant to the terms of this Order will be sufficiently given only if delivered by prepaid registered mail, courier, personal delivery, facsimile transmission or email addressed to:

Ernst & Young Inc.
Attn: Robert Ferguson
222 Bay Street, P.O. 251
Toronto, ON M5K 1J7, Canada

Or by courier to:

Ernst & Young Inc.
Attn: Robert Ferguson
222 Bay Street, Suite 2100
Toronto, ON M5K 1J7, Canada

Or by facsimile transmission to:
416-943-3300

Or by email to:
hanfeng.receiver@ca.ey.com

32. **THIS COURT ORDERS** that if during any period during which notices or other communications are being given pursuant to this Claims Procedure Order, a postal strike or postal work stoppage of general application should occur, such notices, notifications or other communications sent by ordinary mail and then not received shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery, facsimile transmission or email in accordance with this Claims Procedure Order.

33. **THIS COURT ORDERS** that any notice delivered to a Claimant via personal delivery, email, or facsimile transmission shall be deemed to have been received by such Claimant on the date and at the time that it was sent, as evidenced by the time

and date stamp on the email or facsimile transmission as applicable, if sent prior to 5:00 p.m. (local time) on a Business Day, or if sent after 5:00 p.m. on a Business Day or on a non-Business Day, on the next following Business Day.

34. **THIS COURT ORDERS** that any notice delivered to a Claimant by mail or courier shall be deemed to have been received by such Claimant on the third Business Day after the notice was mailed, or couriered.

35. **THIS COURT ORDERS** that in the event that this Claims Procedure Order is amended by further Order of the Court, the Receiver may post such further Order on the Receiver's website and send an email to any Known Creditors and any Claimant who has submitted a Proof of Claim who is affected by such amendment and such posting and emailing shall constitute adequate notice to Claimants of such amended claims procedure.

MISCELLANEOUS

36. **THIS COURT ORDERS** that notwithstanding any other provisions of this Claims Procedure Order, the solicitation by the Receiver of Claims and the filing by any Claimant of any Claims shall not, for that reason only, grant any person any standing in these proceedings.

37. **THIS COURT ORDERS** that the forms of notice to be provided in accordance with this Claims Procedure Order shall constitute good and sufficient service and delivery of notice of this Claims Procedure Order and the Claims Bar Date on all Persons who may be entitled to receive notice and who may assert a Claim and no other notice or service need be given or made and no other documents or material need be sent to or served upon any Person in respect of this Claims Procedure Order. The form and substance of each of the Notice of Claims Procedure and Claims Bar Date, Proof of Claim, Notice of Revision or Disallowance, and Notice of Dispute substantially in the forms attached as Schedules "A", "B", "C", and "D" respectively to this Order are hereby approved. Despite the foregoing, the Receiver may, from time to time, make minor, non-substantive changes to such forms as the Receiver considers necessary or desirable.

38. **THIS COURT ORDERS** that notwithstanding the terms of this Claims Procedure Order, the Receiver may apply to this Court from time to time for directions from this Court with respect to the Claims Procedure Order, or for such further Order or Orders as it may consider necessary or desirable to amend, supplement or clarify the terms of this Claims Procedure Order.

39. **THIS COURT ORDERS AND RESPECTFULLY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or the People's Republic of China to give effect to this Order and to act in aid of and to assist the Receiver and this Court in carrying out the terms of this Claims Procedure Order.

W. Ham- L.J.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

SEP 2 3 2014
NB

SCHEDULE "A"

NOTICE TO CREDITORS AND TO PRESENT AND FORMER SHAREHOLDERS
of HANFENG EVERGREEN INC.
(hereinafter referred to as the "Company")

RE: NOTICE OF CLAIMS PROCEDURE FOR THE COMPANY PURSUANT TO AN APPLICATION UNDER SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. c. C.43 (as amended)

PLEASE TAKE NOTICE that this notice is being published pursuant to an Order of the Superior Court of Justice of Ontario made [DATE] (the "Claims Procedure Order"). Any capitalized term used but not defined herein shall have the meaning ascribed to it in the Claims Procedure Order.

Pursuant to the Claims Procedure Order, Claim Packages will be sent to creditors and to present and former shareholders (collectively, "Shareholders") by mail, on or before [DATE], if those creditors and Shareholders are known to the Company, and if the Company has a current address. Creditors and Shareholders may also obtain a copy of the Claims Procedure Order and Claim Packages from the website of Ernst & Young Inc., Court-appointed Receiver of the Company (the "Receiver"), at "www.ey.com/ca/hanfeng", or by contacting the Receiver by telephone (1-416-943-7142 or by fax (1-416-943-3300 or by email at hanfeng.receiver@ca.ey.com).

Proofs of Claim must be submitted to the Receiver for any claim against the Company, whether unliquidated, contingent or otherwise, in each case where the claim (i) arose prior to August 20, 2014, or (ii) arose on or after August 20, 2014 as a result of the restructuring, termination, repudiation or disclaimer of any lease, contract, or other agreement or obligation. **For greater certainty, and without limiting the generality of the foregoing, Proofs of Claim must be submitted to the Receiver in respect of any claim of a current or former shareholder of Hanfeng against Hanfeng with respect to any shares issued by Hanfeng at any time, including without limitation losses incurred by a former shareholder or losses to be incurred by a current shareholder.** Please consult the Claims Package for more details.

Completed Proofs of Claim must be received by the Receiver by 5:00 p.m. (prevailing Eastern Time) on NOVEMBER 10, 2014 (the "Claims Bar Date"). It is your responsibility to ensure that the Receiver receives your Proof of Claim by the Claims Bar Date.

CLAIMS WHICH ARE NOT RECEIVED BY NOVEMBER 10, 2014 WILL BE BARRED AND EXTINGUISHED FOREVER.

SCHEDULE "B"

PROOF OF CLAIM OF HANFENG EVERGREEN INC.

CLAIMS PROCEDURE

Pursuant to an Order of the Ontario Superior Court of Justice dated [DATE] the court appointed Receiver of Hanfeng Evergreen Inc. (**"Hanfeng"**) has been authorized to conduct a claims procedure. The Court Order, a copy of which is enclosed, shall govern the claims procedure, notwithstanding any of the instructions contained herein.

(All capitalized terms not otherwise defined will have the meanings ascribed to them in the [DATE] court order.)

FOR CLAIMANTS SUBMITTING A PROOF OF CLAIM

If you believe that you have a claim against Hanfeng, including for greater certainty a claim of a current or former shareholder of Hanfeng against Hanfeng with respect to any shares issued by Hanfeng at any time, including without limitation losses incurred by a former shareholder or losses to be incurred by a current shareholder, you must file this Proof of Claim. **The Proof of Claim must be received by the Receiver by 5:00 p.m. (Eastern Daylight Savings Time) November 10, 2014 (the "Claims Bar Date").**

If you do not file your claim by the Claims Bar Date you shall be forever barred from asserting or enforcing such Claim against Hanfeng and Hanfeng shall not have any liability whatsoever in respect of such Claim and such Claim shall be extinguished without any further act or notification by Hanfeng or the Receiver.

GENERAL INSTRUCTIONS FOR COMPLETING THE PROOF OF CLAIM

The Proof of Claim must be completed by an individual, or an individual acting on behalf of a corporation. The individual acting for a corporation or other person must state the capacity in which he/she is acting, such as "Credit Manager", "Treasurer", "Authorized Agent", etc. The individual completing the Proof of Claim must have knowledge of the circumstances connected with the Claim. All Proofs of Claim must be signed, dated and witnessed.

The full legal name of the Claimant must be filled out in its entirety. A statement of account containing full details of the Claim must be attached to the Proof of Claim. The Proof of Claim should include all amounts owing to you for any goods or services provided to Hanfeng and shall be reduced by the application of any volume or other discounts in respect thereof and any other credits that are properly applicable against the Claim.

If the Claimant holds security for the indebtedness, a statement of the value and nature of the security must accompany the Proof of Claim.

If the Claimant holds a contingent or unliquidated claim, the details of the guarantee or reasons for the claim must be provided in addition to the basis upon which the claim has been valued.

If the Claim or a portion thereof has been sold or assigned, the name of the party purchasing the Claim, the amount of the Claim sold or assigned, as well as supporting documentation, must be attached to the Proof of Claim submitted. The Claim can be completed by either the original Claimant or by the assignee, but not both. Claimants and assignee(s) must determine amongst themselves who will file the Proof of Claim.

Please carefully read the instructions above before completing this Proof of Claim. Please print legibly.

Please indicate if this Proof of Claim is an (please check one):

☐ Original Proof of Claim, OR

☐ Amended Proof of Claim

A. PARTICULARS OF CLAIMANT

1. Full Legal Name of Claimant: ______________________________- (the "Claimant").
*(Full legal or Corporate name should be the name of the original Claimant of Hanfeng, notwithstanding whether an assignment of a Claim, or a portion thereof, has occurred. **Do not file separate Proofs of Claim by division of the same Claimant.**)*

2. Full Mailing Address of the Claimant (the original Claimant not an Assignee):

____

____

____

____

3. Telephone Number of Claimant: ______________________

4. Facsimile Number of Claimant: ______________________

5. Attention (Contact Person): ______________________

6. Has the Claim been sold or assigned by Claimant to another party?
Yes___ No___ (If yes please complete section D)

B. PROOF OF CLAIM:

I, ______________________________[Name of Claimant or Representative of the Claimant, do hereby certify:

A) that I am (please check one):

___ the Claimant of Hanfeng; or

___ hold the following position of ________________ of the Claimant of Hanfeng Evergreen Inc.

and have knowledge of all the circumstances connected with the Claim described herein;

B) Hanfeng is indebted to the Claimant in the amount of $_______________ Cdn

(A Pre-Filing Claim (as defined in the Claims Process Order) in a foreign currency should be converted to Canadian dollars on the basis of the Bank of Canada Canadian dollar noon exchange rate on August 20, 2014.)

(A Restructuring Claim (as defined the Claims Process Order) in a foreign currency should be converted to Canadian dollars on the basis of the Bank of Canada Canadian dollar noon exchange rate on the date that such Restructuring Claim arose.)

C. **PARTICULARS OF CLAIM:**

Description of transaction or agreement giving rise or relating to the Claim:

____

____

____

If the claim is contingent, or unliquidated, state the basis upon which the claim has been valued:

____

____

____

Names of any guarantors which have guaranteed the Claim:

____

Description of security, if any, granted to the Claimant or assigned by Claimant in respect of the Claim:

____

____

Estimated value of security outlined above as at the date of the claim:

____

A DETAILED, COMPLETE STATEMENT OF ACCOUNT MUST BE ATTACHED TO THE PROOF OF CLAIM WHICH MUST SHOW THE DATE, THE NUMBER AND THE AMOUNT OF EACH INVOICE OR CHARGE, TOGETHER WITH THE DATE, THE NUMBER AND THE

AMOUNT OF ALL CREDITS, COUNTERCLAIMS, DISCOUNTS, PAYMENTS, ETC. TO WHICH HANFENG IS ENTITLED. PLEASE ATTACH ADDITIONAL SHEETS.

D. PARTICULARS OF ASSIGNEE(S) (IF ANY):

1. Full Legal Name of Assignee(s) of Claim (if all or a portion of the claim has been sold). If there is more than one assignee, please attach separate sheets with the following information:

____

(the "Assignee(s)")

Amount of Total Claim Assigned $____________
Amount of Total Claim Not Assigned $____________

Total Amount of Claim $____________
(should equal "Total Claim" as entered on Section B)

2. Full Mailing Address of Assignee(s):

____

____

____

____

3. Telephone Number of Assignee(s): ______________________
4. Facsimile Number of Assignee(s): ______________________
5. Attention (Contact Person): ______________________

The duly completed Proof of Claim together with supporting documentation must be returned and received by the Receiver, no later than 5:00 pm (Eastern Daylight Savings Time) on August 20, 2014, to the following address or facsimile:

By mail to: Ernst & Young Inc. Attn: Robert Ferguson 222 Bay Street, P.O. 251 Toronto, ON M5K 1J7, Canada	By courier to: Ernst & Young Inc. Attn: Robert Ferguson 222 Bay Street, Suite 2100 Toronto, ON M5K 1J7, Canada
Or by facsimile transmission to: 416-943-3300	Or by email to: hanfeng.receiver@ca.ey.com

DATED at ______________________ this ________ day of ____________, 20__.

______________________________	______________________________
(Signature of Witness)	(Signature of individual completing this form)
______________________________	______________________________
(please print name)	(please print name)

SCHEDULE "C"

NOTICE OF REVISION OR DISALLOWANCE

(All capitalized terms not otherwise defined will have the meanings ascribed to them in the [DATE] court order.)

Name of Claimant

____

Pursuant to the Claims Procedure Order, the Receiver gives you notice that it has reviewed your Proof of Claim dated ____________ and has revised or rejected your claim ("Claim") for the following reason(s):

____

____

____

____

Subject to further dispute by you in accordance with the provisions of the Claims Procedure Order, the Claim will be allowed as follows:

	Claim per Proof of Claim	Claim per Allowed as Revised
[COMPNY-A]	$__________	$______________

Please be advised that if you disagree with the revision or disallowance of your claim as it is set at above, you must complete and return the enclosed Notice of Dispute to the Receiver, to be received by the Receiver **by no later than 5:00 p.m. (Eastern Daylight Saving Time) on [DATE]**. If you do not file the enclosed Notice of Dispute by **[DATE]** your claim shall be as set out above for distribution purposes.

DATED at Toronto, Ontario, Canada this ____________day of ____________, 20__.

ERNST & YOUNG INC., in its capacity as Receiver of Hanfeng Evergreen Inc. and not in its personal capacity.

Per:______________________

Encl.

SCHEDULE "D"

DISPUTE NOTICE

(All capitalized terms not otherwise defined will have the meanings ascribed to them in the [DATE] court order.)

Pursuant to the Claims Procedure Order dated [DATE], we hereby give you notice of our intention to dispute the Notice of Revision or Disallowance bearing Reference Number _________ and dated __________, 20___issued by Ernst & Young Inc. in its capacity as court appointed Receiver of Hanfeng Evergreen Inc. in respect of our claim.

Name of Claimant: ____

	Notice of Revision or Disallowance	Claim per Claimant
Claim per	$_________	$ __________

Reasons for Dispute (attach additional sheet and copies of all supporting documentation if necessary): __

____

____

____

____ ________________________

Signature of Individual completing this claim Date

____

(Please print name)

Telephone Number: ( ) ____________________ Facsimile Number:( ) ______________

Full Mailing Address: ____

____

____

THIS FORM AND SUPPORTING DOCUMENTATION TO BE RETURNED BY PERSONAL SERVICE, MAIL, FACSIMILE OR COURIER AND TO BE RECEIVED NO LATER THAN [DATE] TO:

Ernst & Young Inc. in its capacity as
Receiver of Hanfeng Evergreen Inc.

By mail to: Ernst & Young Inc. Attn: Robert Ferguson 222 Bay Street, P.O. 251 Toronto, ON M5K 1J7, Canada	By courier to: Ernst & Young Inc. Attn: Robert Ferguson 222 Bay Street, Suite 2100 Toronto, ON M5K 1J7, Canada
Or by facsimile transmission to: 416-943-3300	Or by email to: hanfeng.receiver@ca.ey.com

IN THE MATTER OF AN APPLICATION UNDER SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. c. C.43 (as amended)

AND IN THE MATTER OF HANFENG EVERGREEN INC.

Court File No. CV-14-10667-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceedings commenced at Toronto

CLAIMS PROCEDURE ORDER

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Lawyers for the Receiver
Ernst & Young Inc.